<u>REMARKS</u>

Entry of this amendment is respectfully requested.

Claims 26-36, 38-45 and 47-56 were rejected under 35 U.S.C. §102(b) for allegedly being anticipated by Ingrisch. Claims 26-36, 38-45 and 47-56 were rejected under 35 U.S.C. §103(b) for allegedly being unpatentable over Ingrisch. Applicants respectfully traverse each of these rejections.

At Item 6 of the Office Action the Examiner alleges that claims 26 and 52 were anticipated or made obvious vis-a-vis Ingrisch even if components H and I are excluded from the polyurethane according to the present invention due to the "consisting of' language.

The Examiner refers to column 11, lines 30-48, describing the process without the process steps bl and b2 in which monomer H is added and polymerized by the initiator component I.

According to the Examiner, the intermediate product consisting of components A-G is isolated and sufficiently stable over a certain time period, such that the dispersion formulation according to the present invention anticipated by Ingrisch.

An essential difference between the present claimed invention and Ingrisch is the amount of component A used for the polyurethane resins. Ingrisch discloses the use of 3 to 12 weight percent of component A based on the total weight of the components A-I and water (Ingrisch, column 5, lines 19-21), whereas according to the invention $a \ge 13$ or $a \ge 14$ weight percent of component A is present in the dispersion.

According to the invention the weight percent values are based on the total amount of components A-G and water (cf. page 14, last paragraph).

The Examiner argues that if the component A is used in amounts of approximately 12 weight percent based on components A-I (calculation according to US

65306947.1 -10-

6,462,127), a value for component A based on components AG (calculation according to the invention) is obtained which is greater than 12 weight percent, and, therefore, the ranges of the application and of Ingrisch overlap.

The Examiner's argument in this respect (see Office Action, page 3, lines 12-18) is believed to be overcome by the term "consisting of" which <u>excludes</u> any other components.

Thus, the present invention is not anticipated by Ingrisch.

With regard to the §103 rejection, the presently claimed composition has, among other things improved properties (See page 19, lines 5-12), especially chemical resistance (See page 19, line 11 and page 29, first paragraph after the Tables). Thus, this rejection should be withdrawn.

Specifically with respect to claim 50, Ingrish neither discloses nor renders obvious a one-componeent paint, varnish, coating, adhesive or sealant comprising a binder comprising the polyurethane dispersion of the present invention.

In view of the foregoing, allowance is respectfully requested.

65306947.1 -11-

The Commissioner is hereby authorized to charge any deficiency in the fees filed, asserted to be filed or which should have been filed herewith (or with any paper hereafter filed in this application by this firm) to our Deposit Account No. 50-0624, under Order No. NY-HUBR-1291-US. A duplicate copy of this paper is enclosed.

Respectfully submitted

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